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25 May 1972

The Honorable Eberhardt Rechtin Assistant Secretary (Telecommunications) Department of Defense Washington, D. C. 20301

Dear Dr. Rechtin:

I am sorry about the delay in responding to your letter of 11 May. This delay reflected my reluctance to stimulate a continuing debate about statistics or to generate more customers for our analysts. After considering the matter, I feel that I am obliged to provide you with some comments, and I hope that you will not consider them to be either an invitation for continuing dialogue or a solicitation for work on our part.

I concur in the thrust of your paper that the US faces a serious challenge in the civilian market from the Free World. However, as I told you at the Blums', I do have some problem with statistics you used to support your thesis. Accordingly, I asked an economist on my staff to review the section in the paper you sent me. His comments are enclosed.

Obviously, you may use the comments for your background, but they should not be treated as an official statement of the Agency's position.

	Sincerely.
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	Edward W. Proctor
De	puty Director for Intelligence

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